

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, NOVEMBER 29, 2005**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, November 29, 2005, commencing at 7:01 a.m.

A. ROLL CALL

Present: Council Members – Hansen, Hitchcock, Johnson, Mounce, and Mayor Beckman

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

B. TOPIC(S)

B-1 "Update on City Manager's Work Plan"

City Manager King reviewed portions of his Work Plan (filed), highlighting the following: He reported that in 1998 recommendations were made by consultants for improving the downtown area which included a state of the art movie theater, wine related establishments, and a hotel. He noted that Lodi's Transient Occupancy Tax (TOT) revenue is only \$300,000 annually. The Hampton Inn is expected to begin construction in spring of 2006 on a 100-room facility. Mr. King stated that he has contracted with PKF Consulting to evaluate the feasibility of a downtown hotel and expects the results by February 2006.

In reply to Council Member Johnson, Mr. King explained that a 3% assessment based on the gross short-term room rental revenue of all hotels is levied as part of the Lodi Tourism Business Improvement District. In addition, the City has a 6% TOT. Mr. King recommended that an effort be made to increase the number of lodging opportunities in the City before attempting to increase the TOT.

Mayor Pro Tempore Hitchcock asked whether a downtown hotel could become a sole redevelopment project.

Mr. King believed that a parcel specific redevelopment project could be put into place. He mentioned that the Federal government allows for an economic development set aside through Community Development Block Grant programs. Community Improvement Manager Joseph Wood has been working with the County of San Joaquin regarding this matter and a recommendation is anticipated to be brought to Council in February.

In reference to retail space at the parking garage facility, Council Member Hansen felt that the City should be more aggressive in getting the space leased through rent reductions or other incentives.

Mr. King reported that a meeting is scheduled next week with Hertz Brothers who have been buying and consolidating Sacramento Street properties. A development proposal for mixed use of residential and retail is expected to be submitted from this company. Staff also hopes to reconstitute a downtown strategic group. Staff has relayed the message to brokers representing the City that, if a tenant with financial strength is found who can generate sales tax, the rental rate for retail space at the parking facility could be negotiated later.

In answer to Mayor Beckman, Mr. King suggested that the Lodi Conference and Visitors Bureau consider Sacramento Street for its new location.

In reply to Council Member Johnson, Mr. King reported that discussions have taken place with Jessie's Grove Winery and Michael-David Vineyards about a downtown tasting room in exchange for wastewater treatment. The wineries believe there would be more financial strength and flexibility by joining together in a tasting room.

Council Member Johnson, Mayor Pro Tempore Hitchcock, and Mayor Beckman preferred that several wine tasting establishments be situated in the downtown area to increase foot traffic.

In reference to the general plan update, Mr. King stated that the topic of various approach options would be scheduled for the December 21 Council meeting. He pointed out that the greatest variable in both cost and time is the level of community involvement. At the January 4, 2006, Council meeting, staff will seek authority to solicit for consultants and will bring forward a report from the Greenbelt Task Force. Mr. King estimated that the general plan process would take two years and cost \$1 million.

Mr. King reported that the County currently pays \$30,000 per year for Lodi Superior Court L-1 space and of that the City pays utilities and janitorial service. The new Police building has 7,000 square feet that had been reserved for court space. The space has been vacant for two years. Meetings have taken place with the County regarding this matter on September 28, October 26, and November 17. A fourth meeting has been scheduled for December 8. Tenant improvements are expected to cost \$2 million. Mr. King explained that if a lease were executed between the City and County, it would then be transferred to the State.

Mr. King recalled that four projects were previously recommended to be funded with bond proceeds offered by Electric Utility. One of the projects included \$1.6 million toward the Electric Utility Corporation Yard; however, staff now recommends that this money be redirected toward the Killelea Substation project. Mr. King noted that the Westside Substation project was also on the list and is of a higher priority than the Corporation Yard.

Council Member Hansen was in favor of the recommendation, as it would redirect the funds toward delivery of electricity and its reliability and efficiency.

Mayor Pro Tempore Hitchcock stated that she could support the recommendation if the City were to invest in a capital project that would produce a return on investment, which ultimately would provide a revenue source that would build the Electric Utility Corporation Yard. She asked what it would cost the City to invest in the proposed project at White Slough.

Council Member Hansen replied that it would cost \$233,000 for Phase 2-A and \$1 million for Phase 2-B, to which Mr. King explained these costs are associated only with feasibility buy-ins.

Mayor Pro Tempore Hitchcock asked to be provided with more information on who determines the percentages.

Council Member Mounce noted that Fire Station #2 is still listed on the Work Plan under "Public Facilities Planning." She recalled asking for information from the Fire Department that would substantiate the relocation of Fire Station #2. It was her understanding that the response time would be compromised if Fire Station #2 were relocated to an area east of Highway 99 as proposed.

Council Member Johnson also expressed an interest in receiving the information and further stated that he wished to have data from *both* the Fire Union and Fire Administration.

In reference to the Council Handbook item, Mr. King stated that the City Clerk's Office has completed the first draft, which is now in review and will be brought to Council in February 2006.

Mr. King commented that a request has not yet been received from Frontier Community Builders for a development agreement; however, the City has informed them that, if it did request an agreement, they would be asked to contribute funding toward DeBenedetti Park.

In reply to Mayor Pro Tempore Hitchcock, Public Works Director Prima reported that 95% of DeBenedetti Park was supposed to be funded through impact fees. Ms. Hitchcock asked Mr. Prima to provide Council with the projected amount that actually would be collected for the park from impact fees.

Mr. King explained that money has been borrowed from the parks portion of the impact fees for other projects with the intention that it would be paid back in the future.

Mayor Beckman also expressed an interest in receiving data on the borrowing that has been done from the park impact fees and in addition he asked for general plan standards regarding the amount of park acreage per developed acreage.

Council Member Johnson reiterated his previous suggestion that all capital projects be reduced 10% to 15%.

Mr. King reported that Council representatives would be addressing the Delta College Board of Trustees on December 6 regarding the possibility of a satellite campus being located in Lodi. In reference to the San Joaquin Council of Governments (SJCOG) One Voice event, staff proposes to include a request for a firing range and driving course at Delta College, if it were decided to locate the satellite campus in Lodi.

Council Member Hansen emphasized the need to select a tier one transportation project to submit for the SJCOG One Voice event.

Mr. King commented on the following accomplishments made in 2005:

- Updated purchasing system;
- PCE/TCE cleanup plan and implementation;
- New animal adoption center in modular unit at the Animal Shelter; and
- Adopted Americans with Disabilities Act Transition Plan.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:18 a.m.

ATTEST:

Susan J. Blackston
City Clerk